

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

ELIZABETH DREW, individually)	
and on behalf of all others)	
similarly situated,)	
)	
Plaintiff,)	
)	
v.)	1:17CV547
)	
REYNOLDS AMERICAN INC.,)	
SUSAN M. CAMERON, DEBRA A.)	
CREW, JEROME ABELMAN, JOHN)	
BOEHNER, MARTIN D. FEINSTEIN,)	
LUC JOBIN, MURRAY S. KESSLER,)	
HOLLY K. KOEPPPEL, JEAN-MARC)	
LEVY, NANA MENSAH, LIONEL L.)	
NOWELL, III, RICARDO)	
OBERLANDER, RONALD S. ROLFE,)	
and JOHN J. ZILLMER,)	
)	
Defendants.)	

STIPULATION AND ORDER OF DISMISSAL

WHEREAS, on January 16, 2017, Reynolds American Inc. ("RAI") and British American Tobacco p.l.c. ("BAT") announced that they had entered into an Agreement and Plan of Merger, dated as of January 16, 2017, among RAI, BAT, and BAT's indirect, wholly-owned subsidiaries BATUS Holdings Inc. and Flight Acquisition Corporation, pursuant to which BAT would acquire all of the outstanding shares of RAI common stock it

does not already own in a stock-and-cash transaction valued at \$59.64 per share (the "Proposed Transaction");

WHEREAS, on June 14, 2017, RAI filed a definitive proxy statement on Schedule 14A (the "Proxy") with the Securities and Exchange Commission ("SEC"), which provided certain information about the Proposed Transaction to stockholders and set the stockholder vote date on the Proposed Transaction for July 19, 2017;

WHEREAS, on June 16, 2017, Plaintiff Elizabeth Drew ("Plaintiff") filed the above-captioned action (the "Action") asserting claims for violations of Sections 14(a) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. §§ 78n(a), 78t(a), SEC Rule 14a-9, 17 C.F.R. 240.14a-9, and Regulation G, 17 C.F.R. § 244.100 in connection with the Proxy;

WHEREAS, on July 11, 2017, RAI filed a Form 8-K with the SEC, supplementing the disclosures in the Proxy with certain additional information relating to the Proposed Transaction which Plaintiff acknowledges had the effect of mooted Plaintiff's claims in this Action (the "Supplemental Disclosures");

WHEREAS, Plaintiff's counsel intends to assert a claim for mootness fees and expenses in connection with the mooted claims

(the "Fee Application"), and to seek court intervention if the parties cannot resolve Plaintiff's Fee Application;

WHEREAS, all Defendants in the Action reserve all rights, arguments, and defenses, including the right to oppose, in whole or in part, any claim by Plaintiff or her counsel for attorneys' fees and expenses related to this Action;

WHEREAS, no class has been certified in the Action;

WHEREAS, for the avoidance of doubt, no compensation in any form has passed directly or indirectly to Plaintiff or her attorneys and no promise, understanding, or agreement to give any such compensation has been made, nor have the parties had any discussions concerning the amount of any mootness fee application;

WHEREAS, Defendants have denied and continue to deny any wrongdoing and contend that no claim asserted in the Action was ever meritorious;

IT IS HEREBY STIPULATED AND AGREED, by and between all parties to this Action:

1. The Action is dismissed, and all claims asserted therein are dismissed with prejudice as to Plaintiff only. All claims on behalf of the putative class are dismissed without prejudice.

2. The court retains jurisdiction of the Action solely for the purpose of determining Plaintiff's Fee Application, if filed.

3. This Stipulation is entered into without prejudice to any right, position, claim, or defense any party may assert with respect to the Fee Application, which includes Defendants' right to oppose the Fee Application.

4. To the extent that the parties are unable to reach an agreement concerning the Fee Application, Plaintiff may file a motion with the court to request a schedule and hearing to present such application to the court.

5. If the parties reach an agreement concerning the Fee Application, they will notify the court. Upon such Notification, the court will close the Action.

6. This Stipulation is not intended to, and shall not, waive or prejudice any argument or agreement that may be asserted by Plaintiff or Defendants in support of or in opposition to any claim by Plaintiff or her counsel for attorneys' fees and expenses in connection with this Action.

DATED: July 20, 2017

WARD BLACK LAW

By: /s/ Janet Ward Black

Janet Ward Black
N.C. State No. Bar 12869
Nancy Meyers
N.C. State Bar No. 23339
208 West Wendover Avenue
Greensboro, North Carolina
27401-1307
Tel: (336) 333-2244
Fax: (336) 379-9415
Email: jwblack@wardblacklaw.com

nmeyers@wardblacklaw.com

FARUQI & FARUQI, LLP

James M. Wilson, Jr.
Nadeem Faruqi
685 Third Avenue, 26th Fl.
New York, NY 10017
Tel: (212) 983-9330
Fax: (212) 983-9331
Email: jwilson@faruqilaw.com
nfaruqi@faruqilaw.com

Attorneys for Plaintiff

Respectfully submitted,

**WOMBLE CARLYLE
SANDRIDGE & RICE, LLP**

By: /s/ Ronald R. Davis

Ronald R. Davis
N.C. State Bar No. 20408
Brent F. Powell
N.C. State Bar No. 41938
James A. Dean
N.C. State Bar No. 39623
One West Fourth Street
Winston-Salem, NC 27101
Tel: (336) 721-3600
Fax: (336) 721-3660
Email: rdavis@wcsr.com
brpowell@wcsr.com
jdean@wcsr.com

JONES DAY

Robert C. Micheletto
Thomas E. Lynch
Andrew S. Kleinfeld
250 Vesey Street
New York, NY 10281
Tel: (212) 326-3939
Fax: (212) 755-7306
Email: rmicheletto@jonesday.com
telynch@jonesday.com
askleinfeld@jonesday.com

*Attorneys for Defendants Reynolds
American Inc., Susan M. Cameron,
Debra A. Crew, Jerome Abelman,
Martin D. Feinstein, Murray S.
Kessler, Jean-Marc Levy, Ricardo
Oberlander and Ronald S. Rolfe*

MOORE & VAN ALLEN PLLC

By: /s/ James P. McLoughlin, Jr.

James P. McLoughlin, Jr.
N.C. State Bar No. 13795
Jonathan Watkins
N.C. State Bar No. 42417
Nader S. Raja
N.C. State Bar No. 41540
Bank of America Corporate Center
100 North Tryon Street, Suite 4700
Charlotte, North Carolina 28202
Tel: (704) 331-1000
Fax: (704) 331-1159
Email: jimmcloughlin@mvalaw.com
watkinsj@mvalaw.com
naderraja@mvalaw.com

WEIL, GOTSHAL & MANGES LLP

John A. Neuwirth
Evert J. Christensen, Jr.
767 5th Avenue
New York, NY 10153
Tel: (212) 310-8000
Fax: (212) 310-8007
Email: john.neuwirth@weil.com
evert.christensen@weil.com

*Attorneys for Defendants John
Boehner, Luc Jobin, Holly K.
Koeppel, Nana Mensah, Lionel L.
Nowell, III, and John J. Zillmer*

IT IS SO ORDERED.

This the 1st day of August, 2017.



United States District Judge